GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:5072
ANSWERED ON:28.04.2005
AGREEMENT FOR BUSINESS PROMOTION
Azmi Shri Iliyas;Madhwaraj Smt. Manorama;Singh Shri Sugrib

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the public sector oil companies have recently signed any agreement/MoUs with the Bangladesh Business Development Corporation Limited for promotion of its business in Bangladesh;

(b) if so, the salient features thereof; and

(c) the investment likely to be made by the oil companies in this regard?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c): GAIL (India) Limited (GAIL) and ONGC have signed MoUs with M/s Business Development Corporation Limited (BDCL) of Bangladesh.

The MoU signed by GAIL is with a view to cooperating and promoting their business interests in Bangladesh mainly in the areas of gas pipeline, distribution and O&M opportunities. At present, both sides are conducting preliminary level discussions for identifying possible opportunities. No definitive project has as yet been identified for investments by GAIL in Bangladesh.

ONGC's MoU is for promoting their business interests in Bangladesh by way of identifying, assisting and securing business opportunities in the upstream and downstream segments of the hydrocarbons sector in Bangladesh. The scope of assistance under the MoU encompass the following major areas:

- Facilitating acquisition of oil & gas acreages.
- Facilitate award of Services, Training and Consultancy contract in oil & gas sector
- Facilitate interaction between ONGC and Governmental bodies of Bangladesh and execution of agreements pertaining to ONGC's business interest.
- Providing market intelligence and tender information and to pursue ONGC's tender on submission.
- Facilitate marketing of petroleum products.
- BDCL to provide exclusive services to ONGC in respect of the business areas identified.

ONGC have thus far provided services in Bangladesh for the drilling of 10 developmental gas wells and carried out work-over operations in 8 wells.